



Washington, D.C. 20505

DIRECTORATE OF INTELLIGENCE

15 April 1983

US-China Relations

Beijing's dissatisfaction with US policy toward China apparently has led it to redefine its objectives and interests in dealing with Washington. The Chinese, in fact, have stated that they expect little progress in relations over the near term. As a result, Beijing appears determined to restrict cooperation to areas that offer China clear and immediate advantages. Events since the Secretary of State's visit--particularly the decision to grant asylum to tennis star Hu Na--have further reinforced Beijing's inclination to maintain a somewhat distant geopolitical relationship with Washington while continuing to seek US technology. [REDACTED]

Concern over US policy toward Taiwan--particularly US arms sales--led Beijing in early 1981 to begin questioning the value of its ties to Washington. In October 1981, China began insisting that Washington set a date for terminating its arms sales to Taiwan. Although the Joint Communique of 17 August 1982 temporarily defused the arms sale issue and allowed Beijing to reaffirm its interest in strengthening the relationship, the Chinese have not yet indicated how far they wish to go in developing bilateral ties. [REDACTED]

Part of this uncertainty stems from the fact that the Taiwan arms issue reinforced the general movement in Chinese foreign policy toward a more self-assertive and nationalistic style that began in 1981. In stressing its independence of both superpowers and reemphasizing its ties to the Third World, China has distanced itself from the United States, which Chinese propaganda now labels, as it does the Soviet Union, a "hegemonist" power. [REDACTED]

~~CONFIDENTIAL~~~~CONFIDENTIAL~~

Approved for Release

Date ~~JUL~~ 1999

At the same time, China also has begun to explore ways to reduce tensions and improve relations with the Soviet Union. While still regarding the Soviet Union as its main adversary, Beijing has broadened bilateral contacts and increased trade with Moscow. The Chinese not only see value in a reduction of Sino-Soviet tensions but also regard it as a useful reminder to Washington that China has other options in its foreign policy.

[REDACTED]

After the 17 August communique, Beijing aired further complaints about US policy, the chief being policy toward Taiwan. China increased its attacks on the Taiwan Relations Act as inconsistent with the normalization communique of 1979, and continues to view the provisions of the act an obstacle in the relationship. Beijing's dissatisfaction over US restrictions on advanced technology has become the second major issue clouding Sino-US relations. Already sensitive about allegedly unfulfilled US commitments, China is seeking a better response on this subject. Beijing desires access to as much advanced and restricted US technology as possible, and argues that the United States is not treating China as an equal. The theme of unequal treatment has been a consistent Chinese complaint about Soviet behavior in the 1950s and its extension to relations with the United States may be fueling the more recent nationalistic tone of Chinese foreign policy.

[REDACTED]

Beijing also has raised several other complaints about US policy, and most recently retaliated against the Hu Na decision by cancelling the remaining Sino-US cultural and sports exchanges for 1983 and the visit by a US legal delegation. Although such actions cast a temporary chill over relations, the Hu Na issue as well as others are clearly secondary to Chinese concerns over Taiwan and the transfer of US technology. While emphasizing its displeasure with Washington, Beijing continues to express a desire for improved relations. The Chinese may still view the upcoming high-level visits and joint commission meetings as a means for improving the relationship.

[REDACTED]

Nonetheless, Beijing appears to have reassessed Sino-US relations. China has shown little interest since 17 August in exploring an arms supply relationship with the United States and has also played down strategic cooperation as a basis for developing bilateral ties. Still, China has clearly not written off its relations with the United States. Despite its diminished emphasis on a strategic relationship and its pursuit of a more independent foreign policy line, Beijing continues to seek US technology and to evince an interest in developing economic and commercial ties with Washington. Indeed, China's continued emphasis on modernization suggests that economic and commercial ties--at least in the near term--will be the fundamental underpinning for better relations with the United States.

[REDACTED]

~~CONFIDENTIAL~~

2
~~CONFIDENTIAL~~